

June 2009 Transportation Revenue Forecast

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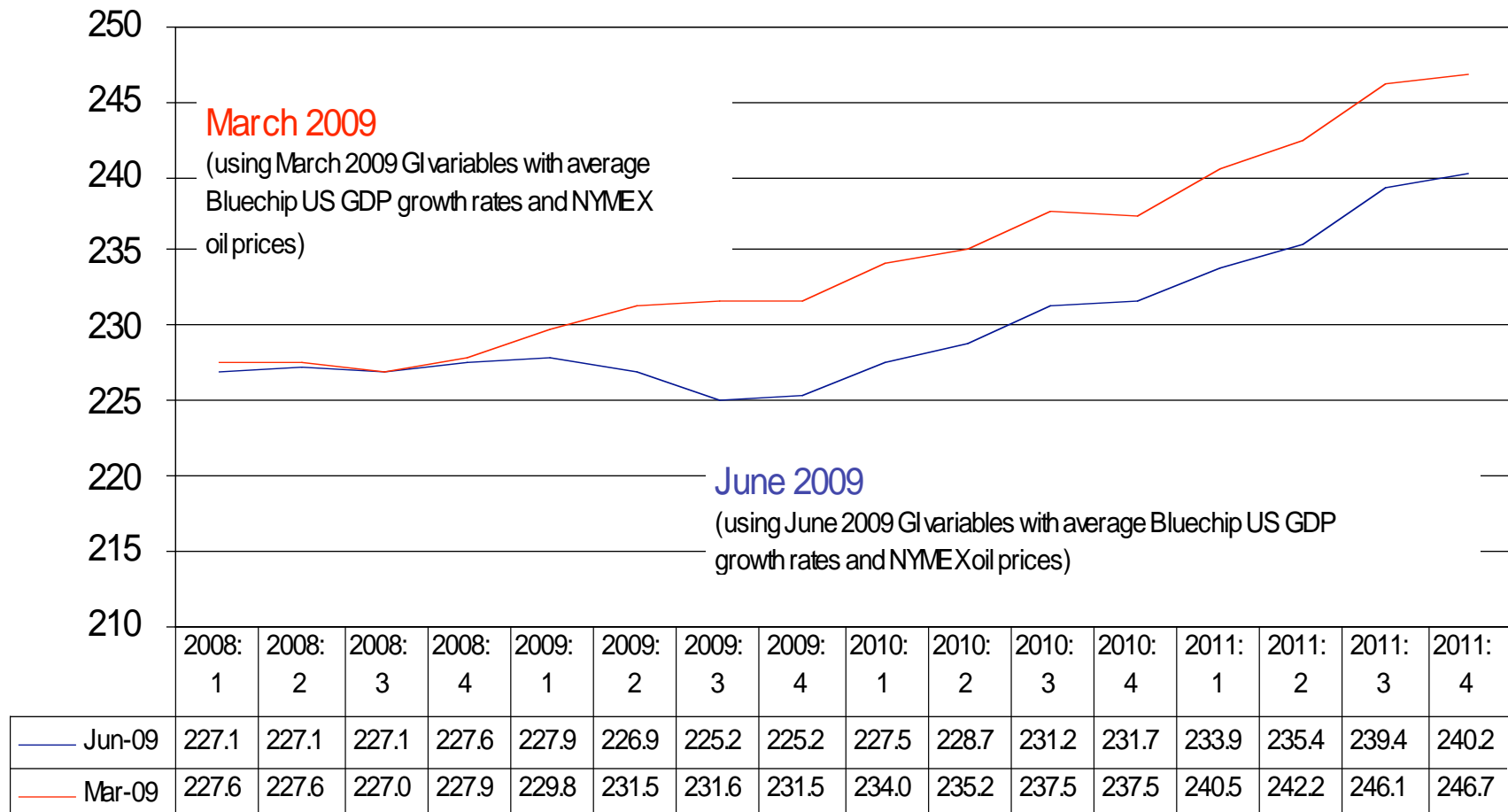
Washington State Transportation Commission
July 15, 2009

Key Economic Variables Have Weakened Since the March 2009 Forecast

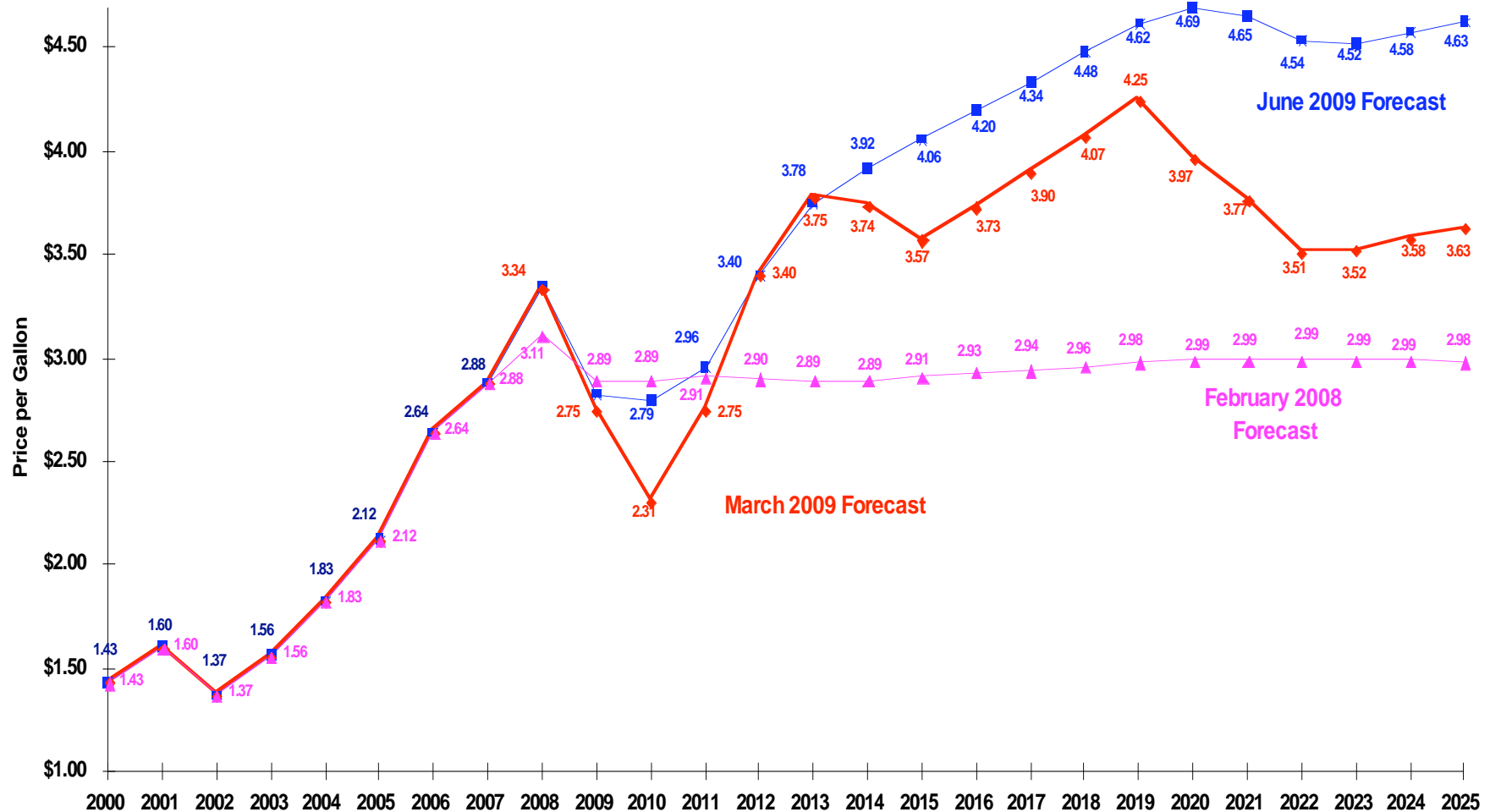
Economic Variables	Short-term Change from March forecast
Washington Personal Income	
Inflation	
Fuel Prices	
Fuel Efficiency	No change
Population	No change
Unemployment Rate	

Comparison of Washington Quarterly Real Personal Income for June 2009 vs. March 2009

Billions of Dollars

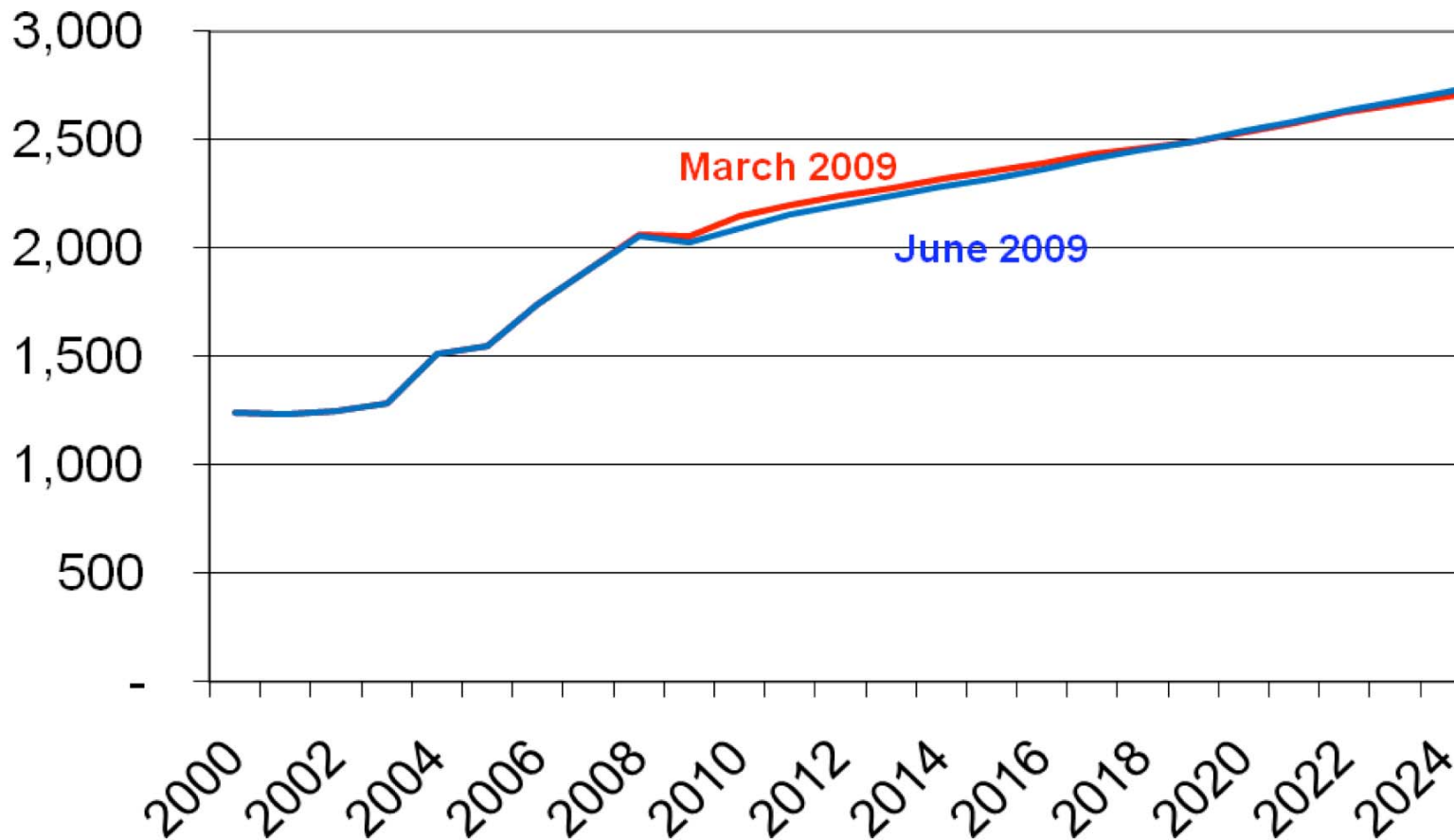


Forecast of Washington Gasoline Prices, All Grades; June 2009 vs. March 2009 vs. February 2008



Overall June 2009 Transportation Revenue Projections are Slightly Down From the March 2009 Forecast

Millions of Dollars

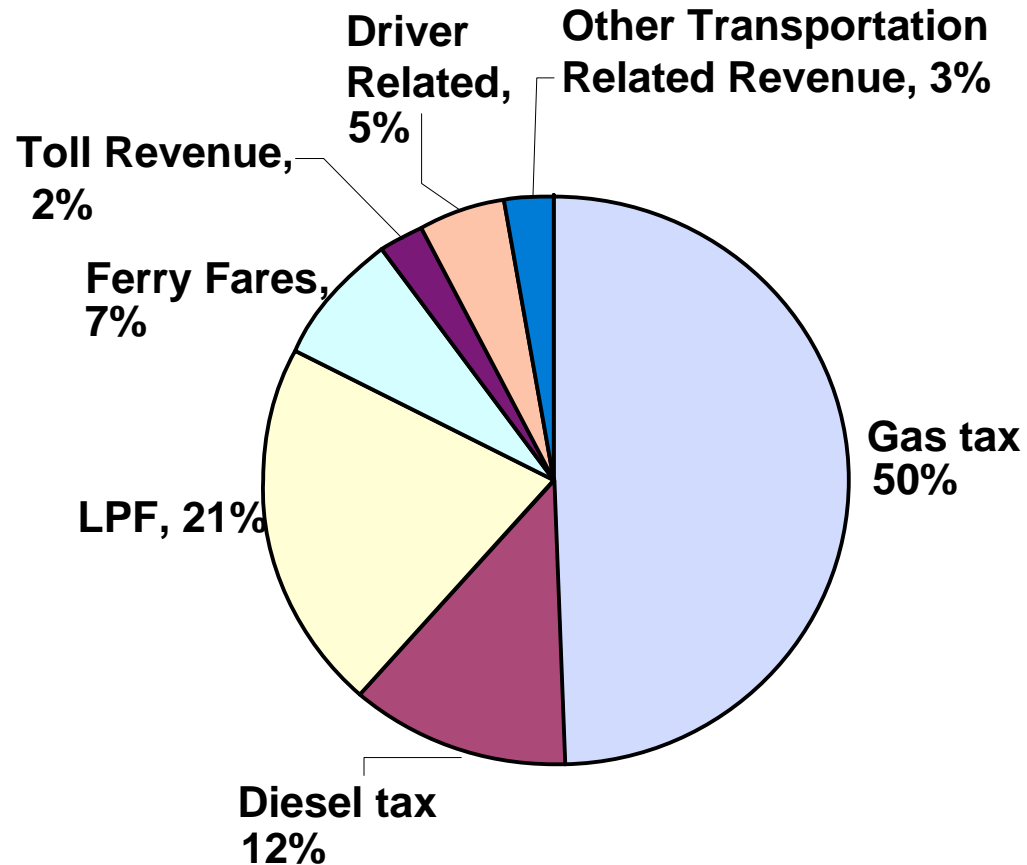


June 2009 Revenue Projections are Slightly Down For Major Revenue Streams For WSDOT From the March 2009 Forecast.

June 2009 Forecast to Forecast Comparison of Transportation Revenues - Millions of Dollars									
Revenue Sources	Current Biennium			2009-11			16-Year Period		
	2007-09			2009-11			(2007-2023)		
	Forecast	Chg	Percent	Forecast	Chg	Percent	Forecast	Chg	Percent
	June 09	from Mar 09	Change	June 09	from Mar 09	Change	June 09	from Mar 09	Change
Motor Vehicle Fuel Taxes	2,494	(7)	-0.3%	2,609	(48)	-1.8%	22,251	(300)	-1.3%
Licenses, Permits and Fees	886	(1)	-0.1%	897	(1)	-0.1%	7,853	7	0.1%
All Other Sources	692	1	0.1%	738	(15)	-2.0%	7,412	(47)	-0.6%
Total Revenues	4,072	(7)	-0.2%	4,244	(64)	-1.5%	37,516	(340)	-0.9%

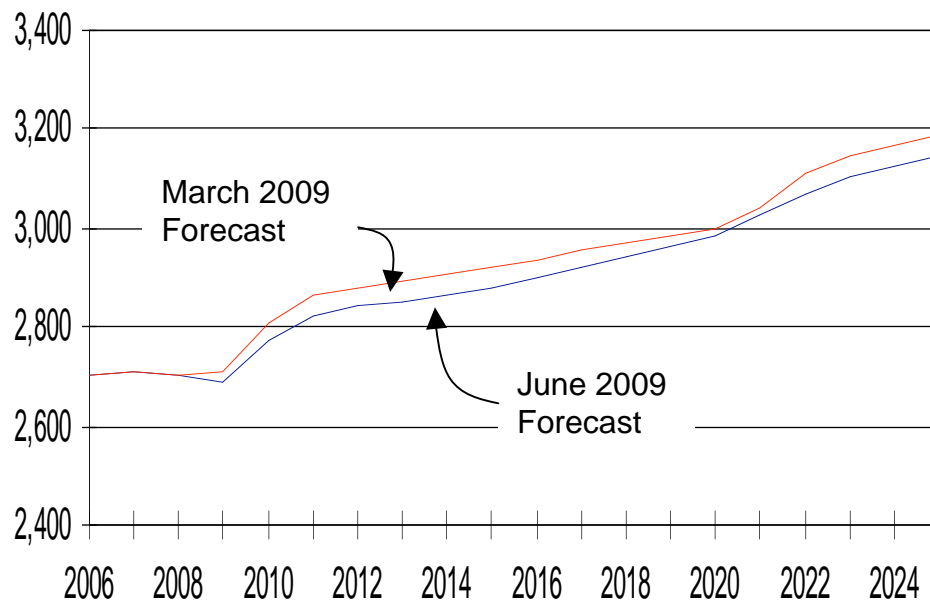
- The revenue forecast adopted June 18 reflects a more negative economic outlook than the previous forecast:
 - due to continued decline in income and consumption from recession
 - higher fuel prices than expected in March forecast
- Current projections show total tax revenues to be down:
 - \$7 million (0.2%) for the 2007-09 biennium
 - \$64 million (1.5%) in the upcoming 2009-11 biennium
 - \$340 million (0.9%) for the 16 year period from the March forecast

Transportation Revenues by Source: 2009-11 Biennium

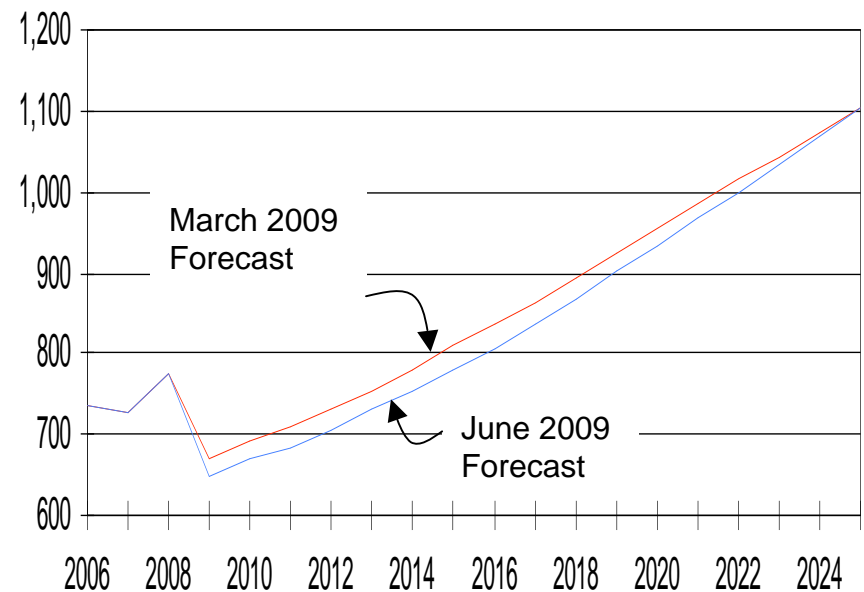


Gasoline and Diesel Fuel Consumption Comparison, June and March 2009 Forecasts

Gasoline Motor Fuel Consumption Comparison: June vs. March 2009 forecast (millions of gallons)



Diesel Motor Fuel Consumption Comparison: June vs. March 2009 forecast (millions of gallons)

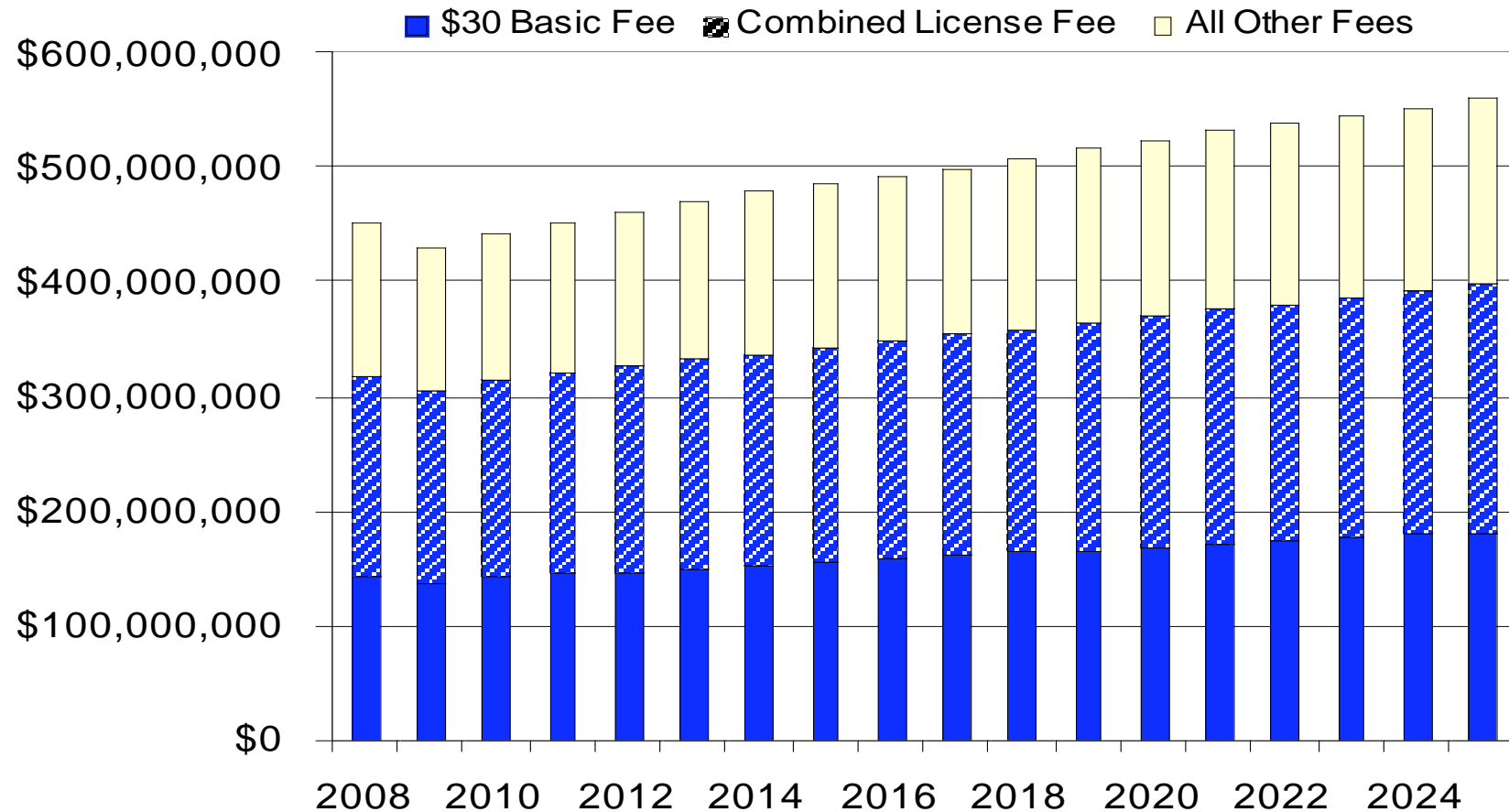


June 2009 Forecast of Motor Vehicle Fuel Taxes Are Down From the March 2009 Forecast.

Fuel Taxes

- Current projections for total motor vehicle fuel taxes are down:
 - \$7.1 million (0.3%) for the 2007-09 biennium
 - \$48 million (1.9%) in the upcoming 2009-11 biennium
 - \$300 million for the 16 year period from the March forecast
- Diesel fuel consumption is the primary driver of the loss in fuel taxes in 2007-09 biennium:
 - Diesel fuel consumption has been hit harder than gasoline consumption and is projected to be slower to recover
 - Diesel tax collections have been coming in lower than anticipated
 - -\$7.6 million (1.5%) for the 2007-09 biennium
 - -\$19.4 million (3.7%) in the upcoming 2009-11 biennium
- Gasoline fuel tax collections have been coming in close to forecast:
 - In future: higher projections of gas prices and lower WA personal income projections are causing the forecast to decline in future biennia
 - +\$0.5 million (0.02%) for the 2007-09 biennium
 - -\$29 million (1.4%) in the upcoming 2009-11 biennium

Major Components of Licenses, Permits and Fee Revenue Forecast - June 2009















June 2009 Forecast of Licenses, Permits and Fees Are Down Slightly From the March 2009 Forecast.

Licenses, Permits and Fee Revenue

- Current projections for licenses, permits and fee revenue are down in near term:
 - \$0.8 million (0.09%) for the 2007-09 biennium
 - \$1.3 million (0.14%) in the upcoming 2009-11 biennium
 - Up \$7 million (0.1%) for the 16 year period from the March forecast
- Registrations in last few months of FY 2009 came in slightly higher than March 2009 projections:
 - Overall cars & truck growth: FY08 and FY09
 - Cars: down 3.4% between FY08-09 (0.4% above the March forecast)
 - Trucks: down 4.2% between FY08-09 (0.3% above the March forecast)
- Other licenses, permits and fee revenue were down from the March forecast:
 - Vehicle inspection fees
 - Dealer temporary permits
 - Trip permit fees
 - Plate replacement fees
 - Title fees

Other Components of Transportation Revenue Are Both Up and Down From the March 2009 Forecast.

- **Ferry Fares Revenue** (2007-09 biennium: \$300 million)
 -  \$2 million (0.5%) for the 2007-09 biennium
 -  \$1 million (0.3%) in the 2009-11 biennium
- **Aeronautics Revenue** (2007-09 biennium: \$5 million)
 -  \$0.4 million (7.6%) for the 2007-09 biennium
 -  \$0.7 million (11.1%) for 2009-11 biennium
- **Rental Car Taxes** (2007-09 biennium: \$47 million)
 -  \$0.4 million (0.9%) for the 2007-09 biennium
 -  \$1 million (2.7%) for the 2009-11 biennium
- **Vehicle Sales Tax** (2007-09 biennium: \$62 million)
 -  \$1 million (2.3%) for the 2007-09 biennium
 -  \$6 million (9.8%) for the 2009-11 biennium
- **Business/Other Revenue** (2007-09 biennium: \$16 million)
 -  \$0.4 million (2.7%) for the 2007-09 biennium
 -  \$1 million (8.3%) for the 2009-11 biennium
- **Driver-Related Fees** (2007-09 biennium: \$186 million)
 -  \$1 million (0.7%) for the 2007-09 biennium
 -  \$1 million (0.7%) for the 2009-11 biennium


TNB Toll Revenue is Down in 2009-11 biennium


No change in TNB toll revenue from the forecast presented to Commission in April.

Toll rate assumptions in June forecast

Toll Rates	2009	2010	2011-2012	2013-2015	2016 & beyond
ETC	\$2.75	\$2.75	\$4.00	\$5.00	\$6.00
Cash	\$4.00	\$4.00	\$4.00	\$5.00	\$6.00

- Total Toll Revenue (2007-09 biennium: \$76 million)

 \$0.5 million for the 2007-09 biennium from March forecast

 \$12 million for the 2009-11 biennium from March forecast due to the March forecast assuming a higher \$4 ETC toll rate in FY 2010

- No other TNB revenue changes to the forecast in the subsequent biennia

Questions?

If you have questions, or want additional information on the June Revenue Forecast, please contact:

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